

# PROGRAMS FOR HOMEOWNERS AND THOSE WHO WANT TO BE.

## IOWA FINANCE AUTHORITY HELPS MAKE YOUR HOMEOWNERSHIP DREAMS COME TRUE.

Our mission is to provide Iowans with safe, affordable home loans.

To accomplish this, we offer a variety of programs for first-time buyers, repeat buyers, qualified military personnel and veterans. We work with hundreds of Iowa lenders who have agreed to waive certain customary fees in order to keep your costs down. And as a state-sponsored entity, we can assure homeowners of our safety, security and stability.

Our programs fall into two categories—single-family mortgage loans and other affordable homeownership resources—so we can help you before and after you purchase your home.

## SINGLE-FAMILY MORTGAGE LOANS

Iowa Finance Authority programs typically offer low-cost fixed rates with 30-year terms, lower mortgage costs and low down payments—sometimes none at all. So whether you're moving to a different home or your first home, we have a program that can help you get there.

## DOWN PAYMENT ASSISTANCE

Home buyers using the Iowa Finance Authority FirstHome program may qualify to receive up to \$2,500 that may be used for down payment, closing costs or minor expenses. Eligible military service members and veterans may also qualify for a grant of up to \$5,000 that may be used toward down payment or closing costs on a qualifying home purchase through the Military Homeownership Assistance program.

The Iowa Finance Authority is a self-funded state agency that exists to help Iowans attain and maintain safe, decent, affordable housing. Iowa Finance Authority does not lend money directly to consumers, but makes Iowa Finance Authority programs available through lender partners who work directly with the home buyer.



Photo courtesy of Polk County Assessor's office

## HOMEOWNERSHIP RESOURCES

Securing a loan is just the first step in owning a home. You'll have other needs along the way, and we can help with some of them.



### ON-SITE WASTEWATER ASSISTANCE PROGRAM (OSWAP)

This program provides low-cost financing to help rural homeowners replace outdated septic systems. These loans require no up-front cash, feature terms up to 10 years, fixed rates of no more than 3%, and start at \$2,000. Visit your local lender to learn more!

To qualify for an OSWAP loan, homeowners must live in an unincorporated area not served by public sewers.



TITLE GUARANTY

### TITLE GUARANTY

Title defects are rare, but they can result in claims that can jeopardize your right to ownership. Title Guaranty Owner's Certificates may be provided free for borrowers who use the Iowa Finance Authority's single-family mortgage products. To make sure you are covered, ask for Title Guaranty Owner's Coverage at application, and check "Yes" for Owner's Coverage at closing.

Have instant notifications about Iowa Finance Authority homeownership programs—including rate changes and more—sent right to your phone! Text HOMEINFO to 30644.

**IowaFinanceAuthority.gov | 800.432.7230**



**IOWA FINANCE  
AUTHORITY**

# WE'RE READY WHEN YOU ARE.

As soon as you're in the market for a home, we can help. Here's a summary of how to make the process as easy as possible.

## 1. PREPARE

- Using the information in this brochure, and at [IowaFinanceAuthority.gov](http://IowaFinanceAuthority.gov), decide which of our safe, affordable mortgage finance programs is right for you. Be sure to check the income and purchase price limits for each program.
- Visit **IHOEP.com** to find home buyer education classes in your area. Local IHOEP organizations may provide guidance on credit issues.
- Start looking for homes in your price range.

## 2. PREQUALIFY

- Visit one or more lenders in your area to determine which Iowa Finance Authority program fits your needs, and to prequalify for a loan. A list of participating lenders can be found at:  
**[IowaFinanceAuthority.gov](http://IowaFinanceAuthority.gov)**.

## 3. APPLY

- After you've signed a purchase agreement for the home you want, you can apply for your loan. Be ready to provide your loan officer with all the necessary documentation, including federal tax returns for the last three years.

- Once you've applied, the processor will review your credit report and verify your assets, income and payment history. A home appraisal—paid for by the borrower—will be performed during the process phase.

- The underwriter at your lending institution will make sure you qualify for the loan.

## 4. CLOSE

- The closing process means you're almost there. After you sign the required paperwork, you'll receive the keys to your new home!

## ANNOUNCING: RECAPTURE TAX REIMBURSEMENT!

Federal recapture tax repayment is no longer a barrier for Iowa Finance Authority home buyers!

In the uncommon event of recapture, the Iowa Finance Authority will reimburse the home buyer for the amount of recapture tax paid to the Internal Revenue Service upon request. The Iowa Finance Authority's Recapture Reimbursement Policy is effective for all loans funded on or after November 14, 2011.

Recapture tax is a federal tax a homeowner may have to pay if they sell their Iowa Finance Authority FirstHome mortgage financed home within the first nine years of the purchase date, receive a net profit on the sale of the home and exceed an adjusted maximum Iowa Finance Authority household income limit at the time of sale. All three provisions must occur at the time of sale for any potential recapture tax obligation to apply. To learn more, visit [IowaFinanceAuthority.gov](http://IowaFinanceAuthority.gov).

Use our interactive tool at:  
**[IowaFinanceAuthority.gov/homebuyertool](http://IowaFinanceAuthority.gov/homebuyertool)**

to find out which program you may qualify for and to find a lender.

**ELIGIBILITY  
QUICK  
CHECK!**

PROGRAM	KEY FEATURES	QUALIFICATIONS
FirstHome	<ul style="list-style-type: none"> <li>Low-cost</li> <li>Fixed rate, 30-year amortization</li> <li>Low down payment or none at all</li> <li>Conventional or government-backed loans</li> <li>No prepayment penalty</li> <li>Free Title Guaranty Owner's Certificate, if requested at loan closing</li> </ul>	<ul style="list-style-type: none"> <li>Maximum home purchase price, Targeted Areas: \$289,000*</li> <li>Maximum home purchase price, Non-Targeted Areas: \$247,000</li> <li>Maximum family income limits: Visit <b><a href="http://IowaFinanceAuthority.gov">IowaFinanceAuthority.gov</a></b></li> <li>First-time buyer OR military veteran with honorable discharge less than 25 years ago who has not used a mortgage revenue bond program previously OR repeat buyer in Targeted Areas**</li> </ul>
FirstHome Plus	<ul style="list-style-type: none"> <li>\$2,500 closing cost, down payment or minor repair assistance with a FirstHome program mortgage</li> <li>Fixed rate, 30-year amortization</li> <li>Low down payment or none at all</li> <li>Conventional or government-backed loans</li> <li>No prepayment penalty</li> <li>Free Title Guaranty Owner's Certificate, if requested at loan closing</li> </ul>	<ul style="list-style-type: none"> <li>Maximum home purchase price, Targeted Areas: \$289,000*</li> <li>Maximum home purchase price, Non-Targeted Areas: \$247,000</li> <li>Maximum family income limits: Visit <b><a href="http://IowaFinanceAuthority.gov">IowaFinanceAuthority.gov</a></b></li> <li>First-time buyer**</li> </ul>
Military Homeownership Assistance Program	<ul style="list-style-type: none"> <li>Down payment or closing cost assistance of \$5,000 for qualified military personnel</li> <li>No purchase price or income limits</li> </ul>	<ul style="list-style-type: none"> <li>Eligible home buyers include those with 90 days active duty since 9/11/01 (excluding training), federal-status injured service persons active since 9/11/01, or surviving spouses of the above</li> </ul>
Homes For Iowans	<ul style="list-style-type: none"> <li>Low-cost</li> <li>Fixed rate, 30-year amortization</li> <li>Low down payment or none at all</li> <li>Conventional or government-backed loans</li> <li>No prepayment penalty</li> <li>Free Title Guaranty Owner's Certificate, if requested at loan closing</li> </ul>	<ul style="list-style-type: none"> <li>Maximum home purchase price: \$301,000</li> <li>Available to first-time and repeat home buyers who are not eligible for the FirstHome or FirstHome Plus programs</li> <li>Maximum family income limits: Visit <b><a href="http://IowaFinanceAuthority.gov">IowaFinanceAuthority.gov</a></b></li> </ul>

\*Home buyers purchasing their home in federally designated Targeted Areas are subject to higher income and purchase price limits and need not be a first-time home buyer. Counties with Targeted Areas: Black Hawk, Dubuque, Johnson, Polk, Scott, Story, Webster and Woodbury.

\*\*First-time home buyer is a person who has not had ownership interest in a primary residence for the last three years.